



Health Insurer Sues Emergency Room Doctors Over ‘Upcoding’

Health insurance giant UnitedHealthcare (UHC) has filed a lawsuit in federal district court against TeamHealth, one of the nation’s largest hospital emergency room (ER) staffing and billing companies, alleging that it fraudulently and deliberately “upcoded” tens of thousands of claims for ER services, resulting in UHC overpaying TeamHealth by over \$100 million dollars.

Upcoding occurs when a health care provider submits a claim to an insurer or claims administrator utilizing a Current Procedural Terminology (CPT) code that misrepresents the type or degree of services provided, thus using the code to deceive the insurer or claims administrator into overpaying.

There are five primary CPT codes used to bill for ER visits, with variations based on the urgency and complexity of care. The

highest-level CPT codes are reserved for true medical emergencies that pose a severe and significant threat to the life or physiological function of a patient, such as treatment of chest pain, severe respiratory distress, critical trauma, severe burns, or toxic ingestions.

UHC conducted an audit of tens of thousands of ER claims submitted by TeamHealth and found that well over half of the claims coded with the two highest-level CPT codes for ER visits -- roughly 60% -- should have been coded with lower-level CPT codes. The upcoded claims, UHC asserts, falsely stated that TeamHealth's physicians had rendered extensive treatment under severe circumstances, when in reality they had treated routine health problems such as sore throats, ear infections, dizziness, and back pain.

One noteworthy example of upcoding that UHC found during its claims audit involved a young man who suffered from indigestion after eating a chili dog and sought treatment in an ER staffed by a TeamHealth physician. The physician gave the man over-the-counter medications and sent him home. TeamHealth then allegedly submitted a claim to UHC indicating that, based on the CPT code it entered on the claim form, the medical care provided was of particularly high complexity and performed under severe circumstances, resulting in a \$1,712.00 charge.

UHC asserts that the rate at which TeamHealth utilized the higher-level CPT codes on claims for ER visits forecloses the possibility that TeamHealth merely made tens of thousands of honest mistakes. Further, UHC alleges, each standardized CMS-1500 claim form that TeamHealth submitted included a certification that the information reflected on the claim was "true, accurate, and complete." Thus, UHC commenced this action to put a stop to TeamHealth's conduct, and to recoup the amounts TeamHealth obtained through its allegedly fraudulent upcoding scheme.

[Full text of complaint in United Healthcare Services, Inc. v. TeamHealth Holdings, Inc., 3:21-cv-00364 \(E.D. Tenn. Oct. 27, 2021\) \(Documentcloud.org\)](#)

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